

Message Text

CONFIDENTIAL

PAGE 01 SEOUL 03060 140828Z
ACTION EA-12

INFO OCT-01 ISO-00 AGRE-00 AID-05 EB-08 COME-00 L-03
SS-15 SP-02 NSC-05 OMB-01 TRSE-00 CIAE-00 INR-10
NSAE-00 H-01 STR-07 /070 W
-----007654 150539Z /21
R 140743Z APR 78
FM AMEMBASSY SEOUL
TO SECSTATE WASHDC 461

C O N F I D E N T I A L SEOUL 3060

PASS AID AND USDA/OGSM-HARRISON

E.O. 11652: GDS
TAGS: EAID, EAGR, KS, US
SUBJ: PL 480 LONG-TERM AGRICULTURAL AGREEMENT

REF: SEOUL 2827

1. LAST NOVEMBER, THE ROKG REQUESTED A LONG-TERM ARRANGEMENT WHICH WOULD HAVE MAINTAINED THE VIRTUAL US MONOPOLY OF KOREAN AGRICULTURE IMPORTS. WE HAVE YET TO ANSWER THAT REQUEST, OTHER THAN TO SAY IT IS UNDER STUDY.

2. FOR MONTHS NOW, WE HAVE TRIED TO WORK OUT A PL-480 AMENDMENT. WE UNDERSTAND AT LEAST \$20 MILLION OF IT IS NOW IN JEOPARDY BECAUSE US AND KOREAN NUMBERS ON COTTON ORDERS ALREADY PLACED DISAGREE, AND THE US FIGURES SHOW THAT THERE IS NO ROOM FOR ADDITIONAL COTTON THIS YEAR. IN THE MEANTIME THE BALANCE OF THE AMENDMENT ITSELF HAS BEEN STALLED FOR WEEKS.

3. THE ROKG HAS ASKED THAT CCC CREDIT ALL BE THREE-EYAR AND ON A GOVERNMENT-TO-GOVERNMENT BASIY. WE HAVE RESPONDED POSITIVELY IN A GENERAL WAY BUT HAVE CONTINUED TO ISSUE ADDITIONAL CREDIT ON SHORTER TERMS OR TO THE BUYER RATHER THAN THE ROKG. THEY ARE NOW PREPARING A REQUEST
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 SEOUL 03060 140828Z

FOR A VERY SUBSTANTIAL ADDITIONAL AMOUNT, THE JUSTIFICATION FOR WHICH WE WILL BE SENDING BY SEPTTEL IN THE NEXT DAY OR SO. THE ROKG HAS WANTED THE USE OF THE WON PROCEEDS FOR CERTAIN PROJECTS IN THIS YEAR'S BUDGET AND THEREFORE TO START THE NEW SYSTEM ASAP. WE HAD EXPECTED THE LONG-TERM AGREEMENT WOULD HAE BEEN LONG SINCE WORKED OUT AND THE CCC CREDITS WOULD BE A PART OF THAT.

4. GIVEN THE PARTICULARLY DIFFICULT NEGOTIATING HISTORY
OF THE PL 480 AMENDMENT AND THE SERIES OF OTHER PROBLEMS
WHICH HAVE TROUBLED US-KOREA RELATIONS RECENTLY, OUR
APPARENT FAILURE TO PROCEED ON ANY ONE POINT CAN BE
EXPLAINED BUT THE COMBINATION COULD BE MISINTERPRETED.
FAILURE TO PROCEED WITH THESE PROGRAMS ON AN URGENT BASIS
WE NOW THINK POSES AN IMMINENT THREAT TO OUR SHARE OF THIS
MARKET.
SNEIDER

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CREDIT, AGRICULTURAL AGREEMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 14 apr 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978SEOUL03060
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780162-0216
Format: TEL
From: SEOUL
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780454/aaaabtyd.tel
Line Count: 72
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 579701b0-c288-dd11-92da-001cc4696bcc
Office: ACTION EA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 78 SEOUL 2827
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 06 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2961617
Secure: OPEN
Status: NATIVE
Subject: PL 480 LONG-TERM AGRICULTURAL AGREEMENT
TAGS: EAID, EAGR, KS, US
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/579701b0-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014